

COMMONWEALTH OF KENTUCKY  
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

THE NOTICE OF PURCHASED GAS            )  
ADJUSTMENT FILING OF ATMOS ENERGY    )  
CORPORATION F/K/A WESTERN                ) CASE NO. 2002-00359  
KENTUCKY GAS COMPANY                     )

O R D E R

On December 21, 1999, in Case No. 1999-00070, the Commission approved rates for Western Kentucky Gas Company ( Western ) and provided for their further adjustment in accordance with Western's gas cost adjustment ( GCA ) clause. On October 1, 2002, Western changed its name to Atmos Energy Corporation ( Atmos ).

On September 30, 2002, Atmos filed its proposed GCA to be effective November 1, 2002. On October 16, 2002, Atmos filed a revised GCA to correct Exhibits A and B in its original filing.

After reviewing the record in this case and being otherwise sufficiently advised, the Commission finds that:

1. Atmos's notice includes revised rates designed to pass on to its sales customers its expected change in wholesale gas costs.
2. Atmos's expected gas cost ( EGC ) for firm sales customers is \$4.9641 per Mcf, an increase of 33.69 cents per Mcf from the previous EGC of \$4.6272. Atmos's EGC for both high load factor ( HLF ) firm customers and interruptible sales customers is \$4.1926 per Mcf, an increase of 41.65 cents per Mcf from the previous EGC of \$3.7761.

3. Atmos's notice sets out a current period refund factor ( RF ) for firm sales and HLG firm customers of 15.74 cents per Mcf. The RF for interruptible sales customers is 3.91 cents per Mcf. The total refund factor of 16.69 cents per Mcf for firm sales and HLF firm customers and 4.10 cents per Mcf for interruptible sales customers reflects adjustments from prior periods. Atmos's notice sets out a refund adjustment for T-2 firm transportation customers of 15.70 cents per Mcf and for T-2 interruptible transportation customers of 3.11 cents per Mcf.

4. Atmos's notice sets out a correction factor ( CF ) of .52 cent per Mcf, which is effective from November 1, 2002 until February 1, 2003. The CF is designed to collect under-recoveries of gas cost for the 3 months ended July 31, 2002.

5. Atmos's notice sets out a Performance Based Rate Recovery Factor ( PBRF ) of 2.37 cents per Mcf, which is effective from February 1, 2002 until February 1, 2003.

6. Atmos's gas cost adjustments are \$4.8261 per Mcf for firm sales customers, \$4.0546 per Mcf for HLF firm customers and \$4.1805 per Mcf for interruptible sales customers. The impact on firm sales customers is an increase of 41.14 cents per Mcf from the previous gas cost adjustment of \$4.4147. The impact on HLF firm customers is an increase of 49.10 cents per Mcf from the previous gas cost adjustment of \$3.5636 and on interruptible sales customers is an increase of 60.93 cents per Mcf from the previous gas cost adjustment of \$3.5712.

7. The rates in the Appendix to this Order are fair, just and reasonable, in the public interest, and should be approved for final meter readings by Atmos on and after November 1, 2002.

IT IS THEREFORE ORDERED that:

1. The rates in the Appendix to this Order are approved for final meter readings on and after November 1, 2002.

2. Within 20 days of the date of this Order, Atmos shall file with the Commission its revised tariffs setting out the rates authorized herein.

Done at Frankfort, Kentucky, this 23<sup>rd</sup> day of October, 2002.

By the Commission

ATTEST:

  
Executive Director

## APPENDIX

### APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE COMMISSION IN CASE NO. 2002-00359 DATED October 23, 2002

The following rates and charges are prescribed for the customers in the area served by Atmos Energy Corporation. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of this Commission prior to the effective date of this Order.

#### RATES:

Applicable to: General Sales Service Rate G-1

#### Gas Cost Adjustment

To each bill rendered under the above-named rate schedules there shall be added an amount equal to: \$4.8261 per Mcf of gas used during the billing period.

Applicable to: HLF General Sales Service

#### Gas Cost Adjustment

To each bill rendered under the above-named rate schedules there shall be added an amount equal to: \$4.0546 per Mcf of gas used during the billing period.

Applicable to: Interruptible Sales Service Rate G-2

#### Gas Cost Adjustment

To each bill rendered under the above-named rate schedules there shall be added an amount equal to: \$4.1805 per Mcf of gas used during the billing period.